

Unveils capex plan for next five years...

About the stock: Hindalco is the world's largest aluminium company by revenues and a major player in copper. Its wholly owned subsidiary Novelis is the world's largest producer of aluminium beverage can stock.

- Over the years, Hindalco has transformed its business model to reduce dependence on volatile LME price movement and is focusing on a stable portfolio of value added produces
- Novelis has leveraged its extensive recycling footprint and favourable market conditions to increase its recycled content to 61% in FY21

Event: We attended the investor meet of Hindalco wherein the company unveiled its capex plan with investments lined up in both Novelis as well as the India business.

- Hindalco has unveiled a capex plan of ~US\$8 billion over the next five years. This capex would be incurred in FY23E-27E. Of the total capex, ~US\$4.5-4.8 billion would be incurred at Novelis while ~US\$3.37 billion would be spent on the India business

What should investors do? Hindalco's share price has given a return of 75% over the last 12 months (from ~₹ 327 in March 2021 to ~₹ 573 levels in March 2022).

- We maintain our BUY rating on the stock

Target Price and Valuation: We value Hindalco at ₹ 725, based on SoTP valuation.

Key triggers for future price performance:

- During FY23-27, Novelis has chalked out a capex plan of ~US\$4.5-4.8 billion, of which ~US\$3 billion is expected to be spent in North America, ~US\$400 million in Asia, ~ US\$300-400 million in Europe and ~ US\$800-900 million in South America
- During FY23-27, the India business has chalked out a capex of US\$3.37 billion, of which ~US\$1.71 billion is expected to be spent on aluminium – upstream, ~US\$719 million on aluminium – downstream, ~US\$286 million on the copper Business, ~US\$194 million on specialty alumina and ~US\$459 million on coal mining operations

Alternate Stock Idea: In our metal & mining sector coverage, we also like Tata Steel.

- India's share in Tata Steel's overall consolidated production capacity has risen from 29% in 2010 to 57% in 2020 and is likely to reach 73% by 2030
- BUY with a target price of ₹ 1600



Particulars

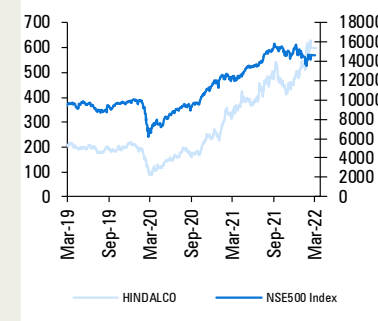
Particulars

| | |
|----------------------------|----------------|
| Market Capitalization | ₹ 128066 crore |
| Total Debt (Q3FY22) | ₹ 65817 crore |
| Cash and Cash eq. (Q3FY22) | ₹ 22084 crore |
| EV | ₹ 171799 crore |
| 52 week H/L (₹) | 636 / 321 |
| Equity capital | ₹ 222 crore |
| Face value | ₹ 1 |

Shareholding pattern

| (in %) | Dec-20 | Mar-21 | Jun-21 | Sep-21 | Dec-21 |
|--------------|------------|------------|------------|------------|------------|
| Promoter | 34.7 | 34.7 | 34.7 | 34.7 | 34.7 |
| FIs | 22.8 | 25.0 | 25.0 | 25.5 | 26.0 |
| DIs | 22.1 | 20.8 | 20.6 | 20.6 | 21.2 |
| Public | 20.2 | 19.3 | 19.6 | 19.0 | 17.9 |
| Others | 0.3 | 0.3 | 0.3 | 0.3 | 0.4 |
| Total | 100 | 100 | 100 | 100 | 100 |

Price Chart



Recent event & key risks

- Key Risk:** (i) Steep decline in aluminium prices on the LME, (ii) lower-than-expected profitability at Novelis could adversely impact consolidated earnings

Research Analyst

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Key Financial Summary

| (₹ Crore) | FY18 | FY19 | FY20 | FY21 | CAGR (FY16-FY21) in % | FY22E | FY23E | CAGR (FY21-FY23E) in % |
|-------------------|----------|----------|----------|----------|-----------------------|----------|----------|------------------------|
| Net Sales | 1,15,172 | 1,30,542 | 1,18,144 | 1,31,985 | 5.7 | 1,94,770 | 2,13,461 | 27.2 |
| EBITDA | 13,820 | 15,511 | 14,306 | 17,536 | 15.0 | 30,607 | 32,344 | 35.8 |
| EBITDA Margin (%) | 12.0 | 11.9 | 12.1 | 13.3 | | 15.7 | 15.2 | |
| Adj PAT | 4,434 | 5,495 | 4,051 | 5,674 | 67.2 | 13,969 | 16,394 | 70.0 |
| EPS (₹) | 19.9 | 24.7 | 18.2 | 25.5 | | 62.8 | 73.7 | |
| EV/EBITDA (x) | 12.1 | 10.7 | 11.7 | 10.0 | | 5.5 | 4.8 | |
| RoCE (%) | 9.4 | 10.3 | 7.8 | 8.8 | | 17.3 | 17.5 | |
| RoE (%) | 8.1 | 9.6 | 6.9 | 8.5 | | 18.7 | 18.3 | |

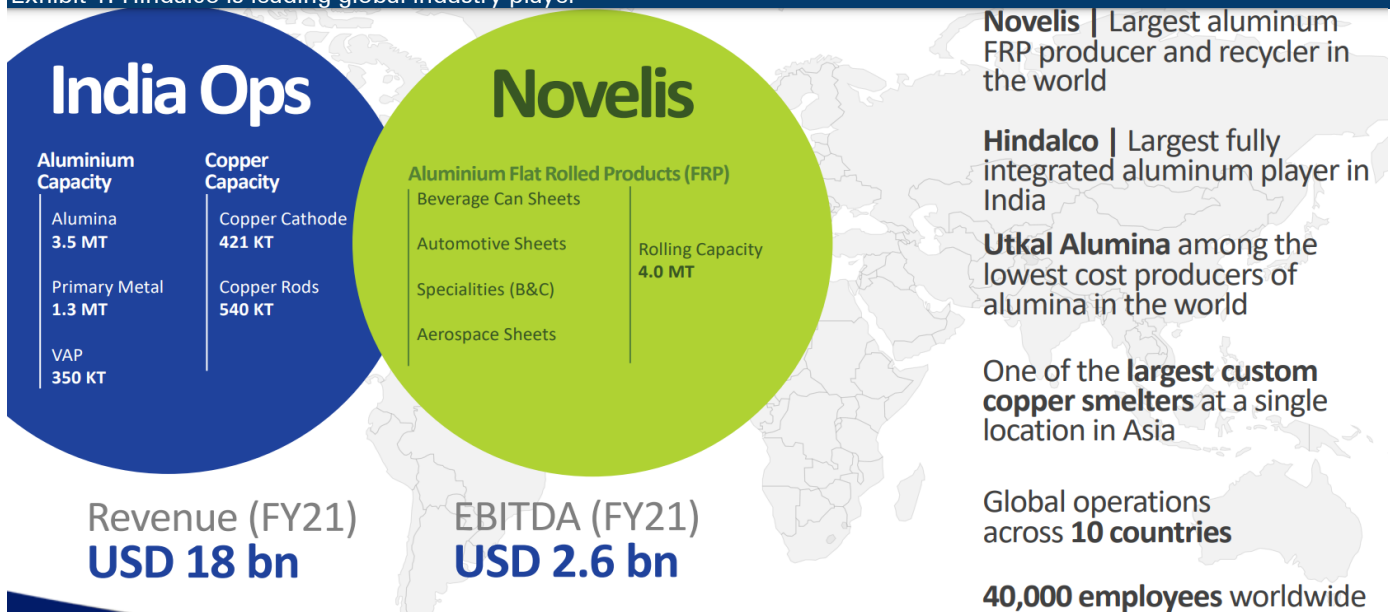
Source: Company, ICICI Direct Research

Key highlights of meet

- Hindalco has unveiled a capex plan of ~US\$8 billion over the next five years. This capex is expected to be incurred in FY23E-27E. Of the total capex, ~US\$4.5-4.8 billion would be incurred at Novelis while ~US\$3.37 billion would be spent on the India business
- During FY23-27, Novelis has chalked out a capex plan of ~US\$4.5-4.8 billion, of which ~US\$3 billion is expected to be spent in North America, ~US\$400 million in Asia, ~ US\$300-400 million in Europe and ~US\$0.8-900 million in South America
- During FY23-27, the India business has chalked out a capex of US\$3.37 billion, of which ~US\$1.71 billion is expected to be spent on aluminium – upstream, ~US\$719 million on aluminium – downstream, ~US\$286 million on the copper business, ~US\$194 million on specialty alumina and ~US\$459 million on coal mining operations
- For Novelis, in addition to capex for de-bottlenecking, upgrades and recycling, capex would also be incurred towards expansion of rolling capacity to 5.8 million tonne (MT) from 3.9 MT in FY21 (for further details on capex-break-up, kindly refer Exhibit 3 below)
- With respect to the Indian business, in addition to other areas, capex would be also focused on increasing primary aluminium capacity from 1.3 MT currently to 1.53 MT by FY27E, aluminium value added portfolio from 350 KT currently to 600 KT by FY27E, alumina capacity from 3.6 MT currently to 4.95 MT by FY27E, copper cathode capacity from 540 KT currently to 565 KT by FY27E, etc (for further details on capex-break-up, kindly refer Exhibit 5 below)
- Going forward, on an annual basis, the company expects ~US\$2 billion cash flow after meeting normal working capital and maintenance capex requirements. Of this annual cash flow, the company has created a roadmap to allocate ~75% towards growth projects, ~15% towards net debt reduction with ~8-10% to be available for shareholder returns
- For aluminium, healthy demand outlook due to increased focus on recyclable products and supply constraints from China are key tailwinds, going forward. Demand headwinds include higher energy cost, semi-conductor shortage impacting the overall auto segment, etc.
- For Novelis, significant energy requirement (~75%) is hedged for FY22E

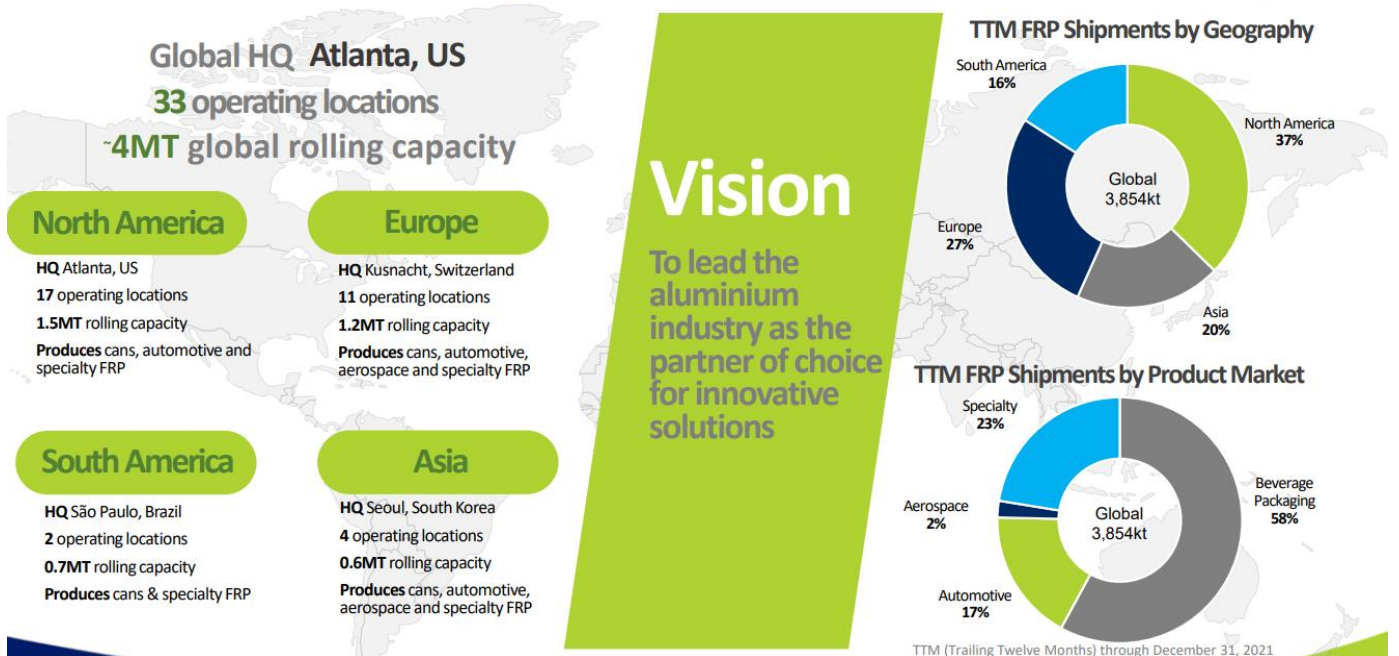
Overview of Hindalco Investor Day

Exhibit 1: Hindalco is leading global industry player



Source: Company, ICICI Direct Research

Exhibit 2: Novelis: World's largest aluminium FRP producer, recycler (Key highlights of Novelis operations)



Source: Company, ICICI Direct Research

Exhibit 3: Novelis Investment Opportunities (FY23-27) - Facilitated by stable cash flows and reduced leverage

| Identified Projects | Location | Primary Product Markets Supported | Capacity (Kt) | Cost (US\$) | Expected completion |
|---|------------------|-----------------------------------|---------------|---------------------|---------------------|
| North America | | | | \$3.0 Bn | |
| Hot mill debottlenecking & automotive upgrades | Oswego, US | Specialties, Auto | 124 | \$130 mn | FY2024 |
| Recycling expansion & upgrades | Greensboro, US | Can | 30 | \$30 mn | FY2023 |
| State-of-the art Automotive Recycling & Casting Centre | Guthrie, US | Auto | 240 | \$365 mn | FY2026 |
| <i>Under Appraisal : Fully Integrated Greenfield Rolling & Recycling Mill</i> | US | Can, Auto | 600 | \$2.5 bn | FY2026 |
| Asia | | | | \$0.4 Bn | |
| Integrated cold mill and closed loop recycling | Zhenjiang, China | Auto | 200 | \$375 mn | FY2026 |
| Recycling and Casting Centre at UAL | UAL, S. Korea | All | 100 | \$50 mn | FY2026 |
| <i>Under Appraisal: Brownfield rolling capacity</i> | S. Korea | Can | 50 | \$20-30 mn | Est. FY2024 |
| Europe | | | | \$0.3-0.4 Bn | |
| <i>Under Appraisal: Brownfield rolling capacity</i> | Germany | Can | 200 | \$200-\$300 mn | Est. FY2026 |
| <i>Under Appraisal: Brownfield recycling capacity</i> | Germany | Automotive | 150 | \$100-\$150 mn | Est. FY2027 |
| South America | | | | \$0.8-0.9 Bn | |
| Rolling Debottlenecking | Pinda, Brazil | Can | 70 | \$50 mn | FY2024 |
| <i>Under Appraisal: Brownfield rolling & Recycling capacity</i> | Brazil | Can | 450 | \$800mn-\$1.0 bn | Est. FY2027 |
| | | | TOTAL | \$4.5-4.8 Bn | |

Source: Company, ICICI Direct Research,

Exhibit 4: Novelis projected capacity evolution

Phase 2 completed investments now in production

Pinda, Brazil, rolling & recycling

Automotive finishing in China and Guthrie

Rolling & integrated plant expansions

China, US, and other expansions under appraisal

Recycling & Sustainability related projects

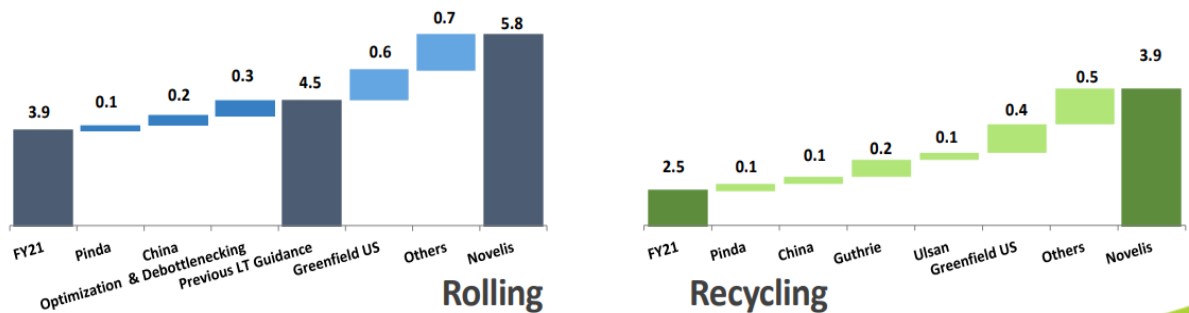
US, China, South Korea, and other expansions under appraisal

Digital, EHS, Reliability and Quality and Other Optimization projects

Digitalization and World Class Manufacturing programs to create Plant of the Future

Multiple large and smaller projects aiming to improve the safety of the production operations, focused on bringing legacy Aleris plants in compliance with Novelis standards

Directional Long-Term Capacity Evolution (MT)



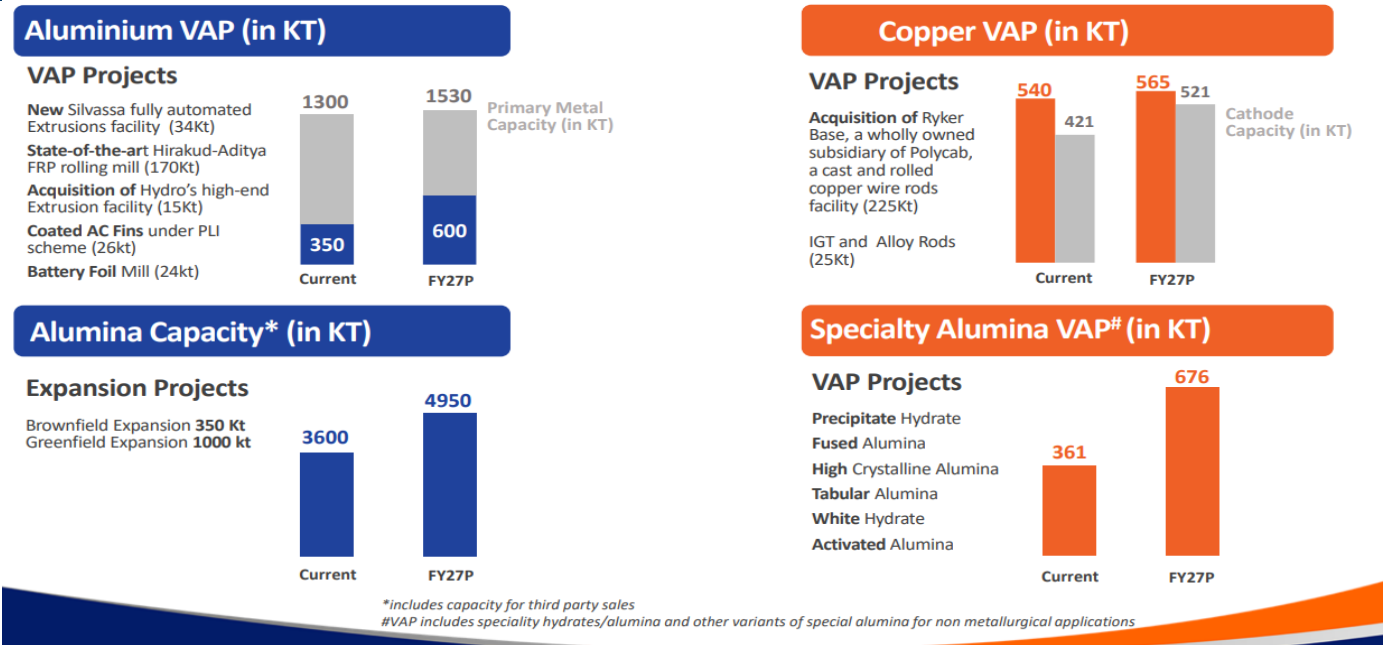
Source: Company, ICICI Direct Research

Exhibit 5: India business; segment-wise allocation of growth capex (FY23-27)

| Identified Projects | Plant/ Region | Capacity (Kt) | Estimated Cost (US\$) | Expected Year of Completion |
|---|---------------------|---------------|-----------------------|-----------------------------|
| Aluminium - Upstream | | | \$1.71 bn | |
| Alumina Expansion (via Debottlenecking) | Utkal | 350 | \$40 mn | FY2024 |
| <i>Under Appraisal : Alumina Expansion (Greenfield)</i> | <i>Odisha</i> | <i>1000</i> | <i>\$850 mn</i> | <i>FY2026</i> |
| Brownfield Smelter Expansion (via Debottlenecking) | Aditya/Mahan | 50 | \$135 mn | FY2024 |
| <i>Under Appraisal : Brownfield Smelter Expansion (with 3rd Party renewable power)</i> | <i>Aditya/Mahan</i> | <i>180</i> | <i>\$685 mn</i> | <i>FY2026</i> |
| Aluminium - Downstream | | | \$719 mn | |
| Extrusions | Silvassa | 34 | \$97 mn | FY2025 |
| FRP –Casting & Cold Rolling | Aditya/ Hirakud | 170 | \$400 mn | FY2025 |
| Coated AC Fins (under PLI) | Taloja | 26 | \$50 mn | FY2025 |
| <i>Under Appraisal : Can Recycling</i> | <i>Aditya</i> | <i>100</i> | <i>\$67 mn</i> | <i>FY2027</i> |
| <i>Under Appraisal : Battery Foil Mill</i> | <i>Aditya</i> | <i>24</i> | <i>\$105 mn</i> | <i>FY2026</i> |
| Copper Business | | | \$286 mn | |
| <i>Under Appraisal : Recycling + E-Waste</i> | <i>TBD</i> | <i>100</i> | <i>\$220 mn</i> | <i>FY2025</i> |
| Inner Grove Tubes (PLI Scheme) & Alloy Rods | Dahej | 25 | \$66 mn | FY2025 |
| Speciality Alumina | | | \$194 mn | |
| Precipitate Hydrate & White Hydrate | Belagavi | 60 | \$45 mn | FY2025 |
| Synthetic Aggregates (Fused & Tabular Alumina) | Aditya/TBD | 90 | \$55 mn | FY2025 |
| <i>Under Appraisal : Other Specialty Alumina Products and Brownfield Expansions</i> | <i>Belagavi/TBD</i> | <i>165</i> | <i>\$94 mn</i> | <i>FY2027</i> |
| Energy | | | \$459 mn | |
| Chakla Coal Mine (For Mahan & Renukoot) | Odisha | 4-4.5 MTPA | \$186 Mn | FY2025 |
| Meenakshi Coal Mine (For Aditya & Hirakud) | Odisha | 10-12 MTPA | \$273 Mn | FY2027 |
| India Business Total Spends | | | \$3.37Bn | |

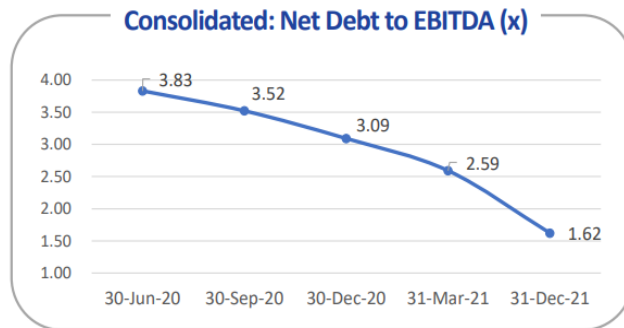
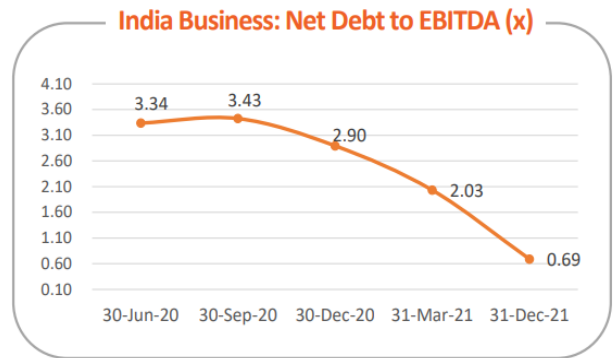
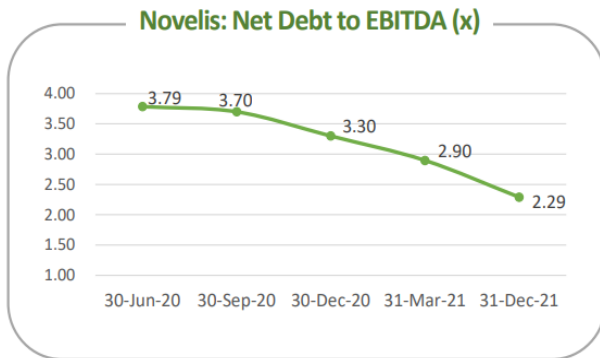
Source: Company, ICICI Direct Research

Exhibit 6: India business; projected capacity evolution




Source: Company, ICICI Direct Research,


Exhibit 7: Net Debt to EBITDA matrix...





Source: Company, ICICI Direct Research

Exhibit 8: Broad capital allocation

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Deleveraging targets achieved well ahead of time
- 

Strong Balance Sheet – An enabler for sustainable growth
- 

Enhanced focus on shareholder returns through profitable growth and optimum capital structure
- 

Broad outlook on utilization of Cash Flow after meeting normal working capital & maintenance capex requirements:

Growth capex
~75%

Net Debt Reduction
~15%

Amount available for Shareholder Returns
~8-10%

Source: Company, ICICI Direct Research

Financial Summary

| Exhibit 9: Profit and loss statement | | ₹ crore | | | |
|--------------------------------------|---------------|---------------|---------------|---------------|--|
| (Year-end March) | FY20 | FY21 | FY22E | FY23E | |
| Total Operating Income | 118144 | 131985 | 194770 | 213461 | |
| Growth (%) | -9 | 12 | 48 | 10 | |
| Total Operating Expend. | 103838 | 114449 | 164162 | 181117 | |
| EBITDA | 14306 | 17536 | 30607 | 32344 | |
| Growth (%) | -8 | 23 | 75 | 6 | |
| Depreciation | 5091 | 6628 | 7058 | 7373 | |
| Interest | 4197 | 3738 | 3687 | 3219 | |
| Other Income | 1186 | 1222 | 672 | 696 | |
| Exceptional Item | 284 | 492 | 0 | 0 | |
| PBT | 5920 | 7900 | 20535 | 22448 | |
| Total Tax | 2157 | 2723 | 6571 | 6061 | |
| PAT | 3763 | 5177 | 13964 | 16387 | |
| Growth (%) | -32 | 38 | 170 | 17 | |
| Minorities +loss from discontinu op | 4 | -1694 | 6 | 7 | |
| Rep PAT after Assoc., MI | 3767 | 3483 | 13969 | 16394 | |
| Adj PAT after Assoc., MI | 4051 | 5674 | 13969 | 16394 | |
| Growth (%) | -26 | 40 | 146 | 17 | |
| EPS (₹) | 18.2 | 25.5 | 62.8 | 73.7 | |

Source: Company, ICICI Direct Research

| Exhibit 10: Cash flow statement | | ₹ crore | | | |
|-------------------------------------|---------------|---------------|---------------|---------------|--|
| (Year-end March) | FY20 | FY21 | FY22E | FY23E | |
| Profit after Tax | 3767 | 3483 | 13969 | 16394 | |
| Add: Depreciation | 5091 | 6628 | 7058 | 7373 | |
| Add: Interest | 4197 | 3738 | 3687 | 3219 | |
| (Inc)/dec in Current Assets | 4231 | -12027 | -23604 | -12579 | |
| Inc/(dec) in CL and Prov. | -253 | 15413 | 22757 | 11164 | |
| CF from operating activities | 17033 | 17235 | 23867 | 25571 | |
| (Inc)/dec in Investments | -379 | -7717 | 750 | 750 | |
| (Inc)/dec in Fixed Assets | -11871 | -20188 | -7432 | -7431 | |
| Others | -1843 | 355 | -43 | 83 | |
| CF from investing activities | -14093 | -27550 | -6726 | -6598 | |
| Issue/(Buy back) of Equity | 0 | 0 | 0 | 0 | |
| Inc/(dec) in loan funds | 15981 | -1741 | -7500 | -7500 | |
| Interest Paid | -4197 | -3738 | -3687 | -3219 | |
| Dividend paid & dividend tax | -290 | -619 | -1549 | -1549 | |
| Inc/(dec) in Share Cap | -2652 | 3654 | -4423 | 0 | |
| Others | 0 | 0 | 0 | 0 | |
| CF from financing activities | 8842 | -2445 | -17159 | -12267 | |
| Net Cash flow | 11782 | -12760 | -18 | 6705 | |
| Opening Cash | 9787 | 21569 | 8809 | 8792 | |
| Closing Cash | 21569 | 8809 | 8792 | 15497 | |

Source: Company, ICICI Direct Research

| Exhibit 11: Balance Sheet | | ₹ crore | | | |
|---------------------------------------|---------------|---------------|---------------|---------------|--|
| (Year-end March) | FY20 | FY21 | FY22E | FY23E | |
| Liabilities | | | | | |
| Equity Share Capital | 222 | 222 | 222 | 222 | |
| Reserve and Surplus | 58105 | 66321 | 74318 | 89163 | |
| Total Shareholders funds | 58327 | 66543 | 74541 | 89386 | |
| Total Debt | 68238 | 65994 | 58997 | 51497 | |
| Deferred Tax Liability | 4671 | 4493 | 4493 | 4493 | |
| Minority Interest & Others | 1391 | 1551 | 1601 | 1626 | |
| Total Liabilities | 132627 | 138581 | 139632 | 147002 | |
| Assets | | | | | |
| Net Block | 69249 | 77187 | 76288 | 76345 | |
| Goodwill | 20098 | 23317 | 22591 | 22591 | |
| CWIP | 7610 | 10013 | 12013 | 12013 | |
| Investments | 9370 | 17087 | 16337 | 15587 | |
| Inventory | 22384 | 30668 | 42689 | 47956 | |
| Debtors | 9401 | 13012 | 16008 | 17545 | |
| Loans and Advances | 3600 | 4046 | 7791 | 12587 | |
| Other Current Assets | 3458 | 3144 | 7986 | 8965 | |
| Cash | 21569 | 8809 | 8792 | 15497 | |
| Total Current Assets | 60412 | 59679 | 83266 | 102550 | |
| Trade Payables | 23700 | 36439 | 53362 | 57313 | |
| Provisions & Other Curren Liabilities | 13201 | 14679 | 20011 | 27224 | |
| Current Liabilities & Prov | 36901 | 51118 | 73372 | 84536 | |
| Net Current Assets | 23511 | 8561 | 9894 | 18014 | |
| others | 2789 | 2416 | 2509 | 2452 | |
| Application of Funds | 132627 | 138581 | 139632 | 147002 | |

Source: Company, ICICI Direct Research

| Exhibit 12: Key ratios | | ₹ crore | | | |
|------------------------------|-------|---------|-------|-------|--|
| (Year-end March) | FY20 | FY21 | FY22E | FY23E | |
| Per share data (₹) | | | | | |
| Reported EPS | 18.2 | 25.5 | 62.8 | 73.7 | |
| Cash EPS | 41.1 | 55.3 | 94.6 | 106.9 | |
| BV | 262.3 | 299.2 | 335.2 | 401.9 | |
| DPS | 1.2 | 3.0 | 7.5 | 7.5 | |
| Cash Per Share | 97.0 | 39.6 | 39.5 | 69.7 | |
| Operating Ratios (%) | | | | | |
| EBITDA Margin | 12.1 | 13.3 | 15.7 | 15.2 | |
| PBT / Total Operating income | 5.0 | 6.0 | 10.5 | 10.5 | |
| Adj PAT Margin | 3.4 | 4.3 | 7.2 | 7.7 | |
| Inventory days | 69 | 85 | 80 | 82 | |
| Debtor days | 29 | 36 | 30 | 30 | |
| Creditor days | 73 | 99 | 100 | 98 | |
| Return Ratios (%) | | | | | |
| Adj RoE | 6.9 | 8.5 | 18.7 | 18.3 | |
| Adj RoCE | 7.8 | 8.8 | 17.3 | 17.5 | |
| RoC | 12.0 | 12.5 | 27.1 | 28.5 | |
| Valuation Ratios (x) | | | | | |
| P/E | 31.5 | 22.5 | 9.1 | 7.8 | |
| EV / EBITDA | 11.7 | 10.0 | 5.5 | 4.8 | |
| EV / Net Sales | 1.4 | 1.3 | 0.9 | 0.7 | |
| Market Cap / Sales | 1.1 | 1.0 | 0.7 | 0.6 | |
| Price to Book Value | 2.2 | 1.9 | 1.7 | 1.4 | |
| Solvency Ratios | | | | | |
| Net Debt/EBITDA | 2.8 | 2.7 | 1.3 | 0.8 | |
| Debt / Equity | 1.2 | 1.0 | 0.8 | 0.6 | |
| Current Ratio | 1.6 | 1.2 | 1.1 | 1.2 | |
| Quick Ratio | 1.0 | 0.6 | 0.6 | 0.6 | |

Source: Company, ICICI Direct Research

Exhibit 13: ICICI Direct coverage universe (Metals and Mining)

| | CMP | | TP | M Cap (₹ Cr) | EPS (₹) | | | P/E (x) | | | EV/EBITDA (x) | | | ROCE(%) | | | ROE(%) | | |
|------------------------------|------|------|------|-----------------|---------|-------|-------|---------|------|-------|---------------|------|-------|---------|------|-------|--------|------|-------|
| | (₹) | (₹) | | | Rating | FY21 | FY22E | FY23E | FY21 | FY22E | FY23E | FY21 | FY22E | FY23E | FY21 | FY22E | FY23E | FY21 | FY22E |
| Coal India | 185 | 195 | Buy | 114534 | 20.6 | 25.7 | 28.0 | 8.2 | 6.5 | 6.0 | 4.8 | 3.9 | 3.7 | 42.3 | 46.5 | 44.3 | 34.8 | 37.3 | 35.5 |
| Hindalco | 573 | 725 | Buy | 128066 | 25.5 | 62.8 | 73.7 | 23.2 | 9.4 | 8.0 | 10.2 | 5.6 | 4.9 | 8.8 | 17.3 | 17.5 | 8.5 | 18.7 | 18.3 |
| NMDC | 159 | 190 | Buy | 46538 | 21.3 | 34.2 | 20.9 | 7.5 | 4.6 | 7.6 | 4.9 | 3.2 | 5.1 | 27.0 | 34.6 | 19.0 | 21.0 | 28.3 | 15.9 |
| JSW Steel | 754 | 775 | Buy | 182258 | 32.9 | 98.1 | 76.8 | 19.7 | 6.6 | 8.5 | 10.4 | 5.4 | 5.9 | 13.8 | 22.1 | 15.6 | 17.0 | 33.8 | 21.0 |
| Ratnamani | 2484 | 2254 | Hold | 11610 | 59.0 | 69.3 | 90.2 | 37.0 | 31.5 | 24.2 | 24.3 | 18.9 | 15.0 | 15.7 | 18.4 | 19.8 | 13.9 | 14.5 | 16.3 |
| Graphite Ind. | 512 | 650 | Buy | 10012 | -1.6 | 29.7 | 62.4 | NA | 17.3 | 8.2 | NA | 12.8 | 4.5 | -5.4 | 10.0 | 22.6 | -0.7 | 11.7 | 20.7 |
| Tata Steel | 1334 | 1600 | Buy | 163081 | 77.1 | 329.7 | 205.7 | 17.0 | 4.0 | 6.4 | 7.8 | 3.5 | 4.5 | 13.1 | 30.0 | 18.4 | 12.4 | 35.1 | 17.7 |
| Sail | 99 | 120 | Buy | 40805 | 9.2 | 29.1 | 16.0 | 10.9 | 3.4 | 6.3 | 6.0 | 2.9 | 4.4 | 10.9 | 22.2 | 11.5 | 8.9 | 22.5 | 11.5 |
| Jindal Stainless | 195 | 250 | Buy | 9810 | 8.6 | 31.9 | 23.5 | 23.8 | 6.4 | 8.7 | 9.2 | 5.3 | 6.9 | 16.0 | 25.4 | 16.5 | 13.0 | 33.3 | 19.7 |
| Jindal Stainless Hisar | 372 | 488 | Buy | 8790 | 29.5 | 70.8 | 58.9 | 13.4 | 5.6 | 6.7 | 9.6 | 5.3 | 5.4 | 18.6 | 28.5 | 19.8 | 23.2 | 34.7 | 21.9 |
| Vardhman Special Steel | 227 | 300 | Buy | 919 | 10.9 | 23.0 | 25.6 | 23.6 | 11.2 | 10.1 | 11.3 | 6.4 | 6.1 | 13.7 | 22.0 | 20.9 | 9.6 | 17.2 | 16.3 |
| Tata Metaliks | 780 | 975 | Hold | 2462 | 69.9 | 74.3 | 80.1 | 12.4 | 11.7 | 10.8 | 6.6 | 6.5 | 5.7 | 24.6 | 21.6 | 19.5 | 17.0 | 15.6 | 14.4 |

Source: Bloomberg, ICICI Direct Research

RATING RATIONALE

ICICI Direct endeavours to provide objective opinions and recommendations. ICICI Direct assigns ratings to its stocks according to their notional target price vs. current market price and then categorizes them as Buy, Hold, Reduce and Sell. The performance horizon is two years unless specified and the notional target price is defined as the analysts' valuation for a stock

Buy: >15%

Hold: -5% to 15%;

Reduce: -15% to -5%;

Sell: <-15%



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ANALYST CERTIFICATION

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